

MINUTES
of a Regular Meeting of Directors of
HEARTLAND INSTITUTE
on January 17, 2012

A Regular Meeting of the Directors of Heartland Institute was held on January 17, 2012, beginning at 2:00 p.m. in the offices of Paul Fisher at McGuireWoods LLC, 77 West Wacker Street #4400, Chicago, Illinois, pursuant to notice timely given, a copy of which is filed with these minutes.

The following Directors were present or participated by phone:

Joseph Bast, Robert Buford, Richard Collins, Paul Fisher, James Johnston, Jeff Judson, Robert Lamendola, Jeffrey Madden, Arthur Margulis, Mike Rose, Harrison Schmitt, and Herbert Walberg.

Mr. Walberg, chairman, declared a quorum present. Upon a motion duly made and seconded, the Minutes from the Regular Meeting held on October 18, 2011, were approved as read.

The Nominating Committee recommended that Chuck Lang be elected to a 3-year term on the Board of Directors. Upon a motion duly made and seconded, he was unanimously elected. Mr. Walberg assigned Mr. Lang to the Finance Committee. Mr. Walberg asked that the committee review a planning document previously written with input from Frank Resnik and be prepared to discuss it at the next meeting.

The Nominating Committee then recommended adoption of two amendments to Heartland Institute's bylaws that had been previously circulated and discussed in compliance with the requirements for amending the Bylaws. Upon a motion duly made and seconded, the following amendments were unanimously approved:

Resolved: That Article III, Section 2 of the Bylaws is hereby amended to say "the number of directors shall be no fewer than 10 or greater than 20."

And be it further resolved: That Article III, Section 6 of the Bylaws is hereby amended by replacing "one third of the number of directors" with "one half of the number of directors."

Directors then discussed and agreed on a proposal to change the date of a future board meeting from July 24 to June 21.

Robert Lamendola and Jeff Judson led a discussion of Directors and Officers Insurance. It was agreed that a policy would be purchased no less than two weeks following the meeting *provided* a policy could be found that covered libel/slander/defamation. It was also agreed that two possible leads for lower-cost insurance would be pursued.

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The Government Relations Committee reported no expenses reportable under Section H of IRS Form 990 were incurred during the fourth quarter of 2011.

The Development Committee reported having had a conference call reviewing the organization's fundraising plans, and a contract has been signed for a direct mail campaign. Mr. Hales asked for a letter from the contractor clarifying the terms and expectations of the campaign.

Joseph Bast presented President's reports on program and fourth quarter finances. Directors discussed whether to make a deposit into the President's Deferred Compensation Account, and approved a deposit of \$50,000 to be made in January 2012. Jeffrey Madden agreed to work with Arthur Margulis and others on the possibility of making monthly deposits into the account, rather than one-time annual deposits, perhaps contingent on some minimum level of funds being on hand.

Mr. Bast presented a proposed budget and fundraising plan for 2012. After some discussion, the Board approved both documents without changes.

Discussion of ways to memorialize Dave Padden and whether Heartland needs a long-term plan were tabled until the next meeting. The following dates for future meetings of the Board were approved: April 24, June 21, October 25, and in 2013, January 24, April 25, July 25, and October 24.

There being no further business to come before the Board, Mr. Walberg declared the meeting adjourned without objection at 5:00 p.m.

Submitted

Jeffrey Madden
Secretary

Date

Certification of Adoption

I hereby certify that the foregoing minutes were taken at the meeting indicated above and the Board of Directors approved said minutes at its meeting on April 24, 2012.

Herbert J. Walberg
Chairman

Date